

Worksession

Agenda Item #	6
Meeting Date	July 9, 2007
Prepared By	Jessie Carpenter City Clerk
Approved By	Barbara B. Matthews City Manager

Discussion Item	Discussion of Ordinance Adjusting the Salaries of the Mayor and Councilmembers (Effective for the Council to be Sworn in on November 19, 2007)
Background	<p>On March 26, 2007, the Council appointed eight residents to serve on the 2007 Council Compensation Committee. The Committee was asked to review the salaries of the Mayor and Council and to make a recommendation by July 2, 2007, as to whether the salaries should be adjusted.</p> <p>In their report, the Committee stated:</p> <p>“Waiting four years to review the salary is too long. Gradual raises make sense. Council Members and Mayor should not have to wait four years for each increase.</p> <p>By vote of 4 to 1, the Compensation Committee recommended a raise effective in November 2007 and then a 10% increase per year as follows:</p> <p>November 2007: Mayor \$10,000; Council Members \$7,500 (To bring compensation in line after 4 years of no raises)</p> <p>November 2008: Mayor \$11,000; Council Members \$8,250</p> <p>November 2009: Mayor \$12,100; Council Member \$9,075</p> <p>November 2010: Mayor \$13,310; Council Member \$9,982.50.”</p> <p>The Committee made a number of other recommendations in their report, some of which may warrant additional discussion by the Council at a future time.</p> <p>Section 302(c) and 304(c) of the City Charter address the salaries of the Mayor and Councilmembers, respectively:</p> <p><i>302(c) The Mayor may receive an annual salary as set from time to time by an ordinance passed by the Council in regular course of business; provided, however, that no change may be made in the salary of the Mayor, either by increase or decrease during the term for which he/she was elected. The ordinance making any change in the salary paid to the Mayor, either by way or increase or decrease, shall be adopted prior to the next municipal election and shall take effect only as to the next succeeding Mayor.</i></p> <p><i>304(c) Each Councilmember may receive an annual salary which shall be equal for all Councilmembers and may be as specified from time to time by an ordinance passed by the Council in the regular course of its business; provided, however, that the salary specified at the time any Council takes office may not be changed during the period for</i></p>

	<p><i>which the Council was elected. The ordinance making any change in the salary paid to the Councilmembers either by way of increase or decrease shall be adopted prior to the next municipal election, and shall take effect only as to the members of the next succeeding Council. The City Charter provides that any adjustment to the salaries shall be adopted prior to the next municipal election and shall take effect only as to the next succeeding Mayor and Councilmembers.</i></p> <p>This language in the Charter appears to prohibit the graduated adjustment recommended by the 2007 Council Compensation Committee. Staff reviewed the City Charter and consulted the City Attorney's Office.</p> <p>In order to adjust the salary of the Council to be elected in 2009, an ordinance must be adopted by the Council which precedes it – i.e., the Council which will be elected in November 2007. Additionally, the language in Sections 302(c) and 304(c) appears to prohibit changing the salary during the term for which the Council was elected, even if the adjustment was made by the prior Council.</p> <p>If the Council adopts an ordinance adjusting the salary for the Council which will be seated in November 2007, that ordinance will remain in effect for subsequently elected Councils until a new ordinance is adopted.</p> <p>In light of this information, the Council may wish to discuss how it wishes to proceed. A draft ordinance approved by the City Attorney's Office is attached.</p>
<p>Policy</p>	<p>Takoma Park Code, Title 2, Section 2.04.110 sets out a process for periodic review of Council compensation:</p> <p><i>2.04.110 Periodic review of council compensation.</i></p> <p><i>A. Council Compensation Committee. The Council shall appoint a committee of City residents, every 4 years beginning with calendar year 2007, to serve as the Council Compensation Committee. The Committee shall review the salaries of the Mayor and Councilmembers and make recommendations to the Council whether or not such salaries should be changed.</i></p> <p><i>B. Principles of Compensation. The Council Compensation Committee shall apply the following principles to guide its recommendations:</i></p> <ol style="list-style-type: none"> <i>1. The positions of Mayor and Councilmember are part-time and should be treated that way;</i> <i>2. Full monetary compensation for the Mayor and Councilmembers is not appropriate;</i> <i>3. It is appropriate to monetarily compensate the Mayor and Councilmembers to some extent for their work;</i> <i>4. Monetary compensation creates an obligation for the Mayor and Councilmembers to perform their jobs;</i> <i>5. Monetary compensation provides status to the Mayor and Councilmembers;</i> <i>6. The Mayor's salary should be greater than that of Councilmembers; and</i> <i>7. Compensation for the Mayor and Councilmembers should be comparable to Maryland municipalities of similar size and complexity.</i> <p><i>C. Effective Date of Council Salary Adjustment. Any change in the salary paid to the Mayor and Councilmembers is adopted prior to the next municipal election and takes effect only as to the next succeeding Mayor and Councilmembers as prescribed in Sections 302(c) and 304(c) of the Municipal Charter. (Ord. 2004-3 (part), 2004)</i></p>

Fiscal Impact	Currently, members of the City Council receive \$6,000 annually; the Mayor's annual salary is \$8,000. The fiscal impact for FY08 and FY09 will depend upon the Council's decision.
Attachments	Draft First Reading Ordinance – for discussion only.
Recommendation	Staff recommends that the Council discuss the Council Compensation Committee's recommendation in light of this new information, and provide direction to staff.
Special Consideration	

Introduced by:

First Reading:

Second Reading:

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE NO. 2007-

An Ordinance Providing for Salary Increases for the Mayor and Councilmembers to Take Effect for Members of the Next Succeeding Council.

WHEREAS, the Municipal Charter of the City of Takoma Park provides that the Mayor and each Councilmember may receive an annual salary as set from time to time by an ordinance passed by the Council in regular course of business, provided, however, that no change may be made in the salary of the Mayor and each Councilmember during the term for which they are elected; and

WHEREAS, the Municipal Charter further provides that any change in the salary paid to the Mayor and each Councilmember, either by way of increase or decrease, shall be adopted prior to the next municipal election and shall take effect only as to the next succeeding Mayor and Councilmembers; and

WHEREAS, by Ordinance 2003-3, the Council established a process for periodic review of Council compensation and adopted the following Principles of Compensation, which are codified as Section 2.04.110.B of the *Takoma Park Code*:

1. The positions of Mayor and Councilmember are part-time and should be treated that way;
2. Full monetary compensation for the Mayor and Councilmembers is not appropriate;
3. It is appropriate to monetarily compensate the Mayor and Councilmembers to some extent for their work;
4. Monetary compensation creates an obligation for the Mayor and Councilmembers to perform their jobs;
5. Monetary compensation provides status to the Mayor and Councilmembers;
6. The Mayor's salary should be greater than that of Councilmembers; and
7. Compensation for the Mayor and Councilmembers should be comparable to Maryland municipalities of similar size and complexity.

WHEREAS, the Mayor currently receives an annual salary of Eight Thousand Dollars (\$8,000.00); and

WHEREAS, each Councilmember currently receives an annual salary of Six Thousand Dollars (\$6,000.00); and

WHEREAS, the salaries of the Mayor and Councilmembers were last increased following the November 2003 municipal election; and

WHEREAS, by Resolution 2007-4, the Council appointed the 2007 Council Compensation Committee to review the salaries of the Mayor and Councilmembers and provide a recommendation to the Council as to whether or not any adjustments should be made; and

WHEREAS, the Council Compensation Committee reported its findings to the Council on July 2, 2007, and recommended salary adjustments as follows:

November 2007: Mayor \$10,000.00 per year; Councilmembers \$7,500.00 per year
(To bring compensation in line after 4 years of no raises)
November 2008: Mayor \$11,000.00 per year and Councilmembers \$8,250.00 per year
November 2009: Mayor \$12,100.00 per year and Councilmembers \$9,075.00 per year
November 2010: Mayor \$13,310.00 per year and Councilmembers \$9,982.50 per year; and

WHEREAS, because Charter Sections 302c and 304c provide that the salary paid to the Mayor and to Councilmembers cannot be increased or diminished during his or her term of office and also that any salary adjustment ordinance can be effective only as to the members of the next succeeding Council, the Council hereby adopts this Ordinance increasing the salaries of the Mayor and Council who take office following the November 2007 City election; and

WHEREAS, the salaries set forth in this Ordinance shall not be increased or decreased during the two-year Council term of office which begins following the November 2007 City election.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT *Takoma Park Code*, Chapter 2.04, Section 2.04.100 Salary of Mayor and Councilmembers, is amended as follows:

2.04.100 Salary of Mayor and Councilmembers.

A. The Mayor shall receive an annual salary of \$8,000.00, payable biweekly. Effective for the members of the Council who take office following the November 2007 election, the Mayor shall receive an annual salary of \$ _____.

B. Each Councilmember shall receive an annual salary of \$6,000.00, payable biweekly. Effective for the members of the Council who take office following the November 2007 election, each Councilmember shall receive an annual salary of \$ _____.

~~C. The salaries of the Mayor and Councilmembers, as set forth in this section, shall become effective for the members of the Council who take office following the November 2003 City election.~~

**ADOPTED BY THE COUNCIL OF THE CITY OF TAKOMA PARK,
MARYLAND THIS ____ DAY OF _____, 2007, BY ROLL-CALL VOTE AS
FOLLOWS:**

Aye:

Nay:

Abstained:

Absent:

EXPLANATORY NOTE

Additions to the existing language of the *Takoma Park Code* are shown by underlining.

~~Deletions~~ to the existing language of the *Takoma Park Code* are shown by ~~strikeout~~.

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